

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

JOEL S. ARIOS, ACTING INSURANCE COMMISSIONER
OF THE COMMONWEALTH OF PENNSYLVANIA, IN
HIS CAPACITY AS LIQUIDATOR OF RELIANCE
INSURANCE COMPANY,

Plaintiff,

- against -

AXIUM INTERNATIONAL, INC. d/b/a AXIUM
ENTERTAINMENT SERVICES, INC.,

Defendant.

07 CV 6486 (PAC)

**PLAINTIFF'S INITIAL
DISCLOSURES PURSUANT
TO FED. R. CIV. P. 26(a)(1)**

Plaintiff Joel S. Ario, Acting Insurance Commissioner of the Commonwealth of Pennsylvania, in his capacity as Liquidator of Reliance Insurance Company ("Reliance") hereby makes the following initial disclosures in accordance with Rule 26(a)(1) of the Federal Rules of Civil Procedure.

**I. Individuals Likely to Have Discoverable
Information Regarding Claims and Defenses**

1. Adjustment and payment of claims:

California Insurance Guaranty Association
P.O. Box 29066
Glendale, CA 91209-9066
(818) 291-1863

Florida Workers Compensation Insurance Guaranty Association
United Self Insured Services
P.O. Box 616648
Orlando, FL 32861-6648
407.352.0374

New York State Insurance Department Liquidation Bureau
123 William Street, 2nd Floor
New York, NY 10038
212.341.6400

North Carolina Insurance Guaranty Association
P.O. Box 176010
Raleigh, NC 27619-6010
919.783.9813

Guaranty Fund Management Services (Rhode Island)
One Bowdoin Square
Boston, MA 02114-2916
800.852.2003

South Carolina Property & Casualty Insurance Guaranty Association
P.O. Box 407
Columbia, SC 29202
803.799.1560

Texas Property & Casualty Insurance Guaranty Association
9120 Burnet Road
Austin, TX 78758
(512) 345-9335

2. Underwriting and policy administration issues:

Drew Krzywicki
Assistant Vice President
Reliance Insurance Company (In Liquidation)
75 Broad St. -10th Fl.
New York, NY 10004
(212) 858-5977

3. Claims issues within Reliance Insurance Company (In Liquidation):

Don Jones
Assistant Vice President
Reliance Insurance Company (In Liquidation)
75 Broad St. -10th Fl.
New York, NY 10004
(212) 858-9386

4. Data quality and deductible billing issues:
Lynne Santaniello
Vice President
Reliance Insurance Company (In Liquidation)
75 Broad St. -10th Fl.
New York, NY 10004
(212) 858-9343

5. Deductible collection issues:
David M. Saldutte
Account Manager
Paragon Strategic Solutions Inc. dba Reliance Insurance Company (In Liquidation) Deductible Recovery Group
420 Rouser Road
Building 3, Suite 300
Coraopolis, PA 15108
(800) 723-3297

II. Documents In Plaintiff's Possession, Custody Or Control That May Be Relevant To Claims and Defenses

The following is a description by category and location of all documents, data compilations and tangible things in the possession, custody or control of Reliance that Reliance may use to support its claims:

1. The Workers' Compensation and Employers' Liability Insurance Policy effective from June 12, 1996 to June 12, 1997, and renewals for successive annual periods on June 12, 1997, June 12, 1998 and June 12, 1999.

2. The June 12, 1996, Deductible Reimbursement Agreement and Addendum Number One and Addendum Number Two thereto.

3. Invoices and bills.

4. Account statements and loss runs.

All documents are located at Reliance's place of business located at 75 Broad Street, 10th Floor, New York, NY 10004 and in Reliance's counsel's offices.

III. Computation of Damages

Plaintiff has not yet prepared a detailed computation of damages, but Plaintiff is entitled to damages of over \$716,769.23 for reimbursement of certain post-liquidation Paid Deductible Losses, and \$95,098.00 for outstanding retrospective premiums, surcharges and assessments through August 31, 2007, plus statutory prejudgment interest in the amount of 9% per annum and the reasonable attorneys' fees incurred in collecting the amount due.

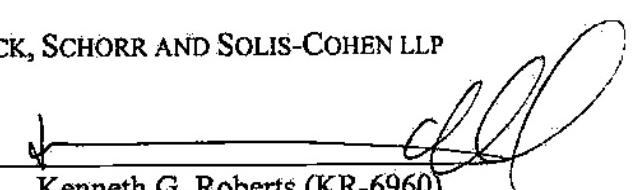
IV. Insurance Agreements

Reliance is not aware of any insurance agreements under which an insurer may be liable to satisfy part or all of a judgment which may be entered in this action or to indemnify or reimburse for payments made to satisfy the judgment.

Plaintiff has not concluded its complete investigation of the facts relating to this case, formal discovery, or preparation for trial. These disclosures may not be construed as limiting or restricting Reliance's right to rely upon any witness, document or information for any purpose whatsoever, including without limitation the use of responsive documents or information as evidence at any subsequent hearing, trial, or other proceeding.

Dated: New York, New York
October 9, 2007

WOLF, BLOCK, SCHORR AND SOLIS-COHEN LLP

By: 

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